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SC Second Injury Fund
Annual Accountability Report
1994-95

The South Carolina Second Injury Fund

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January 2, 1996

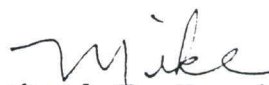
Mr. Gregory M. Bowers
Budget Analyst
Office of State Budget
1122 Lady Street, 12th Floor
Columbia, S.C. 29201

Dear Greg:

Please find enclosed our Annual Accountability Report to the Governor and the General Assembly. The disk is Wordperfect 5.1.

If you have any questions, please give me a call.

Sincerely,


Michael T. Harris
Business Manager

MTH/dgc
Enclosure

SOUTH CAROLINA
SECOND INJURY FUND
ANNUAL ACCOUNTABILITY REPORT
Douglas P. Crossman
Director

Encl
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MISSION

The Fund has two missions:

1) The Second Injury Fund functions within the South Carolina Workers' Compensation system to protect employers from having a higher cost for an employee's injury when that injury, combined with a prior accident or disability, produces medical costs or a disability that is greater than the accident alone would have produced. This ensures that an employer is not made to suffer a greater monetary loss or increased insurance costs from hiring an employee who is considered disabled.

2) The mission of the Uninsured Employer's Fund is to ensure payment of workers' compensation benefits to injured employees whose employers have failed to acquire necessary coverage.

MISSION PERFORMANCE MEASURES - SECOND INJURY FUND

Mission Goal:

To protect employers from increased worker's compensation costs, when disabled employees are injured on-the-job.

Mission Objective:

To process and investigate all claims submitted to the Fund ensuring compliance with the requirements outlined in the law to accept claims for reimbursement.

Mission Measures:

| <u>Workload Indicators:</u> | <u>FY93/94</u> | <u>FY94/95</u> |
|---|----------------|----------------|
| Claims carried forward to new Fiscal Year | 5,197 | 5,316 |
| New and reopened claims | 5,513 | 6,641 |
| Closed claims | 5,394 | 5,618 |
| Open claims at end of Fiscal Year | 5,316 | 6,339 |
| <u>Efficiency Measures:</u> | | |
| Mission cost per claim | \$95.30 | \$86.80 |
| <u>Outcomes:</u> | | |
| Claims accepted/compromised | 1,698 | 1,831 |
| Claims denied | 243 | 161 |
| No decision(Inadequate claim data) | 4,736 | 4,930 |
| Claims paid | 2,235 | 2,367 |
| Average paid per claim | \$22,718.16 | \$21,813.19 |

| | | |
|----------------------|-----------------|-----------------|
| Total Reimbursed | \$50,775,094.00 | \$51,631,820.62 |
| Employers benefitted | 1,402 | 1,471 |

MISSION PERFORMANCE MEASURES - UNINSURED EMPLOYERS' FUND

Mission Goal:

To ensure payment of workers' compensation benefits to injured employees whose employers are in violation of the Workers' Compensation Law by failure to provide the necessary insurance coverage.

Mission Objectives:

Process and investigate all claims and determine whether to pay or defend the claim as necessary. To recoup at least 10% of the benefits, costs, and expenses paid by the Fund from the employer or whoever is legally responsible for the claim.

Mission Measures:

| | | |
|---|----------------|----------------|
| <u>Workload Indicators:</u> | <u>FY93/94</u> | <u>FY94/95</u> |
| Claims carried forward to new Fiscal Year | 610 | 646 |
| New and reopened claims | 345 | 406 |
| Claims closed | 309 | 426 |
| Open Claims at end of Fiscal Year | 646 | 626 |

Efficiency Measures:

| | | |
|------------------------|---------|---------|
| Mission cost per claim | \$92.94 | \$85.95 |
|------------------------|---------|---------|

Outcomes:

| | | |
|---------------------------------|----------------|----------------|
| Claims paid | 415 | 380 |
| Average paid per claim | \$5,378.37 | \$6,445.59 |
| Total paid | \$2,231,593.40 | \$2,447,623.45 |
| Total recouped | \$178,018.98 | \$270,918.75 |
| Percent of paid amount recouped | 8.0% | 11.1% |
| Injured employees benefitted | 415 | 380 |